

Tax Duplication Task Force Final Report

June 5, 1996

301- 270 - 8744

EXECUTIVE SUMMARY OF RECOMMENDATIONS

The Montgomery County Tax Duplication Task Force recommends the following:

- In FY96 the Montgomery County municipalities will receive tax duplication reimbursements calculated according to the tax duplication formulas currently in place. FY95 base data is used to make these calculations.
- In FY97 the tax duplication reimbursements will be based on the formulas recommended by the Task Force. These formulas are based on FY95 actual expenditures.
- The recommended formulas are based on the County's actual, net, property tax supported expenditures for service (i.e. total expenditures less applicable off-setting non-tax revenues), not on the amount spent by the municipalities.

TRANSPORTATION

- ♦ 61.7% of the County's FY95 actual, audited per mile or per item expenditure multiplied by the number of road miles or items in each municipality.
- ♦ In FY97 each municipality will receive a reimbursement payment for transportation that is no less than the amount received in FY96.
- ♦ The Task Force will meet prior to next year's meet and confer to review the impact of changes in State Highway User Revenue program and any other changes in non-tax .

POLICE

- ♦ Since the County does not currently use the presence of Gaithersburg, Rockville and Village of Chevy Chase police forces in determining their resource and beat allocation formulas no duplication reimbursement is recommended.

PARK MAINTENANCE

- ♦ In FY97 the park maintenance reimbursement will be based on the current formula.
- ♦ The Task Force will review problems with the current system and recommend a new formula for FY98 if necessary.

CODE ENFORCEMENT

- ♦ The reimbursement will be based on the County's net per dwelling or per parcel cost rather than on the municipality's net cost.
- The Task Force recommends that the municipalities will not be required to submit details of their expenditures but will be required to provide annual certification of eligible services and workload data for selected services.
- Any negotiations related to other Takoma Park consolidation will be separate from the tax duplication issues.

BACKGROUND

In March, 1995 County Executive Douglas M. Duncan appointed County and municipal representatives to serve on the Montgomery County Task Force to study the Municipal Tax Duplication Reimbursement Program. The municipal representatives recommended by the Maryland Municipal League Montgomery County Executive Board are: Beverly Habada, Administrator, City of Takoma Park, David Humpton, Manager, City of Gaithersburg, Rick Kuckkahn, Manager, City of Rockville, Susan Robinson, Manager, Town of Chevy Chase, Lib Tolbert, Mayor, Barnesville. The County representatives are: Mike Coveyou, Department of Finance, Betty Ferber, Office of the County Attorney, George Griffin, Office of the County Executive, Susan Hoffmann, Intergovernmental Relations Office, Bryan Hunt, Office of Management & Budget, and Chuck Sherer, County Council Staff. Barbara Hawk, Director, Institute for Governmental Service has served as facilitator of the group. Andi Silverstone, Town of Chevy Chase, served as secretary to the Task Force. Paulette Bowles, Office of Management & Budget, has provided technical assistance and staff support. The group began meeting in April, 1995 and met through May, 1996.

TASK FORCE GOALS

The Task Force was directed to look into issues surrounding the current tax duplication formula and to recommend improvements to the program. Early in the process the group decided that its primary goal was to improve and simplify the current system, rather than to create a new system. A second goal was to resolve policy and administrative problems associated with the current program. An important objective of the Task Force was to assure that neither the County nor the municipalities receive a "windfall" from new formulas, and conversely, that no jurisdiction suffer a large revenue loss. The Task Force was directed to report their recommendations to the County Executive for his review and action.

Several problems associated with the current system were identified, and the Task Force focused on resolving those issues. The Task Force determined that there were both administrative problems and policy issues to be resolved. The group agreed that the police and transportation (road maintenance) formulas were the most significant areas of concern. These issues were also the most complex and difficult for the Task Force to resolve. Determination of the level of service provided by the County and estimating what the portion of those expenditures are supported by property tax revenues is complicated and time-consuming. However, the group reached consensus on the following issues:

POLICY ISSUES

1. The reimbursement program should be equitable, efficient to administer, and easily understood by the public.
2. The basis for the reimbursement program should be the amount the County would spend to provide a duplicated service rather than the amount spent by a municipality to provide the service. Therefore, the rebate to the municipalities should be based on the County's actual, net, property tax funded expenditures for a given service. The reimbursement formula should not include services provided by a municipality but not provided by the County.
3. The reimbursement program should be as predictable and stable as possible and should require as little paperwork as possible by both the County and the municipalities.
4. In order to minimize the potential budgetary impact of the new formulas on either the County or the municipalities, any changes should be phased in if possible.
5. There should be provisions for annual re-evaluation of the reimbursement program.

ADMINISTRATIVE/PROCEDURAL ISSUES

1. The formula for reimbursements should be based on the actual, net, County property tax supported expenditures for service. (i.e. total expenditures less applicable off-setting non-tax revenues).
2. The reimbursement for transportation should be based on a cost per mile or per unit figure, less off-setting revenues such as fees and charges and Highway User Revenues.
3. The police services reimbursement should more accurately reflect the number of first responses by County and municipal police officers or use some other measure that accounts for the net County per capita police expenditures.
4. Reimbursement payments to municipalities should be made once a year, by October 1, instead of twice a year as is current practice. To accomplish this, the Task Force recommends using audited expenditure figures from the County's comprehensive annual financial report (CAFR). For instance, FY97

payments would be based on the audited FY95 actual figures which are available in late December, 1995. This assures that both the County and the municipalities have firm numbers before their respective budget cycles begin.

5. The recommendations, if adopted, should be implemented in FY97. Therefore, reimbursements will be based on FY95 actual, audited expenditures. (It should be noted that this requires using FY95 actuals for two years' reimbursements; FY96 reimbursements using the old formula, and FY97 reimbursements using the new formula.)
6. An annual review of the program will be conducted by the municipalities and the County. The Task Force will remain as constituted and may meet throughout the year to discuss issues that affect the reimbursement formula. The group will also meet prior to the annual meet and confer sessions with the County Executive and the County Council.

RECOMMENDED REIMBURSEMENT FORMULAS

Table 1 summarizes the reimbursements for each municipality for duplicated services proposed for FY97 using the new formula. Table 2 compares current and recommended reimbursements. All recommended totals use FY95 actual figures.

Transportation

A primary goal of the Task Force was to develop a simpler, equitable reimbursement formula for transportation expenditures. The proposed formula has two components. The first is the cost of road maintenance provided by the County Department of Public Works and Transportation (Divisions of Highway Services and Traffic and Parking Services). Roadway maintenance, bridge maintenance, storm damage, roadway resurfacing (CIP projects), traffic signs & pavement markings, and street light maintenance costs were calculated on a per road mile basis. The maintenance costs of bridges and traffic signals were calculated on a per item basis. (Table 3) The second component is the percentage of the County expenditures that could be, and therefore theoretically are, paid for with property tax revenues. State Highway User Revenues (HUR) and miscellaneous fees and charges are also used to fund County road maintenance costs. The Task Force determined that in FY95 Highway User Revenues and miscellaneous sources accounted for approximately 38.3% of the total eligible expenditures (Table 4). Therefore, the net County property tax funded cost is 61.7% of total expenditures in FY95. This percentage will change annually depending on the amount of Highway User Revenues received, the amount of other miscellaneous fees and charges and the size of the County road maintenance budget.

Table 1
Summary of Proposal

Municipality	Miles	Proposed Road Maint Relmb.	Proposed Code Enforce- ment	Proposed Police	Prop/Cur Metro Access Roads	Prop/Cur Other Items*	TOTAL
Barnesville	0.00	0					0
Brookeville	0.46	3,699					3,699
Chevy Chase, Sec. III	2.23	17,931					17,931
Chevy Chase, Sec. V	1.60	12,866					12,866
Chevy Chase View	3.40	27,339					27,339
Chevy Chase Village	8.27	68,499	8,262				74,761
Town of Chevy Chase	9.92	79,766	11,891			7,291	98,948
Drummond	0.38	3,056					3,056
Friendship Heights	0.83	6,674				59,181	65,855
Gaithersburg	70.12	571,483	154,371				725,854
Garrett Park	3.92	31,521					31,521
Glen Echo	1.71	13,750					13,750
Kensington	8.17	65,695	15,527			28,440	109,662
Laytonsville	1.07	8,604					8,604
Martin's Addition	2.21	17,771					17,771
North Chevy Chase	1.87	15,841					15,841
Oakmont	0.27	2,171					2,171
Poolesville	15.28	122,866				29,270	152,136
Rockville	133.88	1,126,604	170,339		155,230	110,253	1,562,426
Somerset	4.24	34,094					34,094
Takoma Park	18.24	154,754	14,259	23,178		781,181	973,372
Washington Grove	2.92	23,480					23,480
TOTAL	291.09	2,406,462	374,649	23,178	155,230	1,015,616	3,975,135

* Source of Data

State Highway Administration of Maryland
FY 94 Recapitulation of Urban and Rural Mileage

* Other Items as calculated include: Police Crossing Guards, Senior Transportation, Elderly Shopping, Park Maintenance, and a Human Relations Commission.
Police Pass Thru not shown on this table.

Table
Comparison of Current Formula to Proposal
By Municipality

Municipality	Miles	Proposed Road Maint Reimb.	Current Road Maint Reimb. FY 95	Change Road Maint Reimb.	Proposed Code Enforce- ment	Current Code Enforce- ment	Prop Police Pass Thru not shown	Current Police Pass Thru Shown	Prop/Cur Metro Access Roads	Current Other Items	Prop Other Items*	Total New Proposals	Current Total	Change Proposed
Barnesville	0.00	0	0	0								0	0	0
Brooksville	0.46	3,699	3,384	315								3,699	3,384	315
Chevy Chase, Sec. III	2.23	17,931	16,407	1,524								17,931	16,407	1,524
Chevy Chase, Sec. V	1.60	12,866	11,772	1,094								12,866	11,772	1,094
Chevy Chase View	3.40	27,339	25,015	2,324								27,339	25,015	2,324
Chevy Chase Village	8.27	66,499	60,845	5,654	8,262	8,547	0	7,324				74,761	76,716	-1,955
Town of Chevy Chase	9.92	79,786	72,984	6,782	11,891	12,277				7,453	7,291	98,948	92,714	6,234
Drummond	0.38	3,056	2,796	260								3,056	2,796	260
Friendship Heights	0.83	6,674	6,107	567						60,052	59,181	65,855	86,159	-304
Galthersburg	70.12	571,483	515,892	55,591	154,371	50,508	0	41,310				725,854	607,710	118,144
Garrett Park	3.92	31,521	28,841	2,680								31,521	28,841	2,680
Glen Echo	1.71	13,750	12,581	1,169								13,750	12,581	1,169
Kensington	8.17	65,695	60,109	5,586	15,527	16,043				29,080	28,440	109,662	105,232	4,430
Laytonsville	1.07	8,604	7,872	732								8,604	7,872	732
Martin's Addition	2.21	17,771	16,260	1,511								17,771	16,260	1,511
North Chevy Chase	1.97	15,841	14,494	1,347								15,841	14,494	1,347
Oakmont	0.27	2,171	1,986	185								2,171	1,986	185
Poolesville	15.28	122,866	112,419	10,447						29,930	29,270	152,136	142,349	9,787
Rockville	133.88	1,126,604	984,992	141,612	170,339	64,176	0	59,189	155,230	120,628	110,259	1,562,426	1,384,215	178,211
Somerset	4.24	34,094	31,195	2,899								34,094	31,195	2,899
Takoma Park	18.24	154,754	134,197	20,557	14,259	14,720	23,178	23710		777,430	781,181	973,372	950,057	23,315
Washington Grove	2.92	23,480	21,482	1,998								23,480	21,482	1,998
TOTAL	291.09	2,406,462	2,141,630	264,832	374,649	168,271	23,178	131,533	155,230	1,024,573	1,015,616	3,975,135	3,619,237	355,898
														10% Increase OVERALL

* Source of Data

State Highway Administration of Maryland

FY 94 Recapitulation of Urban and Rural Mileage

* Other Items as calculated include: Police Crossing Guards, Senior Transportation, Elderly Shopping, Park Maintenance, and a Human Relations Commission.

Table 3
Municipal Tax Duplication
Road Maintenance Calculation
FY 95 County Maintenance Cost Factors

Roadway and Related Maintenance	\$ 6,494 per mile
Storm Damage	\$ 1,083 per mile
Roadway Resurfacing (CIP Projects)	\$ 2,242 per mile
Main Roads (Asphalt)	
Residential Roads (Slurry)	
Curb and Gutter, Sidewalk	
Traffic Signs and Pavement Markings	\$ 822 per mile
Traffic Light Maintenance	\$ 103 per mile
Street Light Maintenance	\$ 2,280 per mile
TOTAL	\$ 13,024 per mile
PLUS	
Traffic Signal Maintenance	\$ 2,000 per signal
Bridge Maintenance	\$ 3,098 per bridge
Pedestrian Bridge	\$ 713 per pedestrian bridge

Table 4
Municipal Tax Duplication
Transportation HUR and Revenue Offset
Calculation and Formula

MC DPWT Tax Supported Operating Expenditures (1)	\$ 24,021,040
Debt Service (2)	\$ 37,380,590
MC DPTW Eligible Expenditures	\$ 61,401,630
Subtract: Other Rev Sources (grants, fees, and charges)(3)	\$ (6,286,361)
Equals: Total HUR Eligible DPTW Expenditures	\$ 55,115,269
State Highway User Revenue (HUR) Received (4)	\$ 21,086,402
Ratio of HUR to total expenditures (HUR Ratio)	38.26

1 Page 42-5 FY 97 Operating Budget

2 Page 13 FY 97 Recommended Operating Budget

3 Charges to Suburban District, DOT CIP projects, minus current revenue funding,
and charges to mass transit, and parking/urban district

Calculated by Bryan Hunt, OMB 4-96

4 Page 42-5 FY 97 Operating Budget

Based on this rationale, the Task Force recommends that the transportation property tax reimbursement for FY97 be set at 61.7% of the actual, audited County per mile or per item FY95 road maintenance expenditures, multiplied by the number of road miles or items in each municipality. All municipalities will be guaranteed the dollar amount of the FY96 payment in FY97. Table 5 compares the current transportation formula with the recommended formula by maintenance category. Table 6 summarizes the anticipated impact of the recommended formula on each municipality.

The Task Force agreed to meet in one year to adjust the transportation formula. The Task Force further recommends that a group of transportation professionals meet to discuss and make recommendations regarding the difference in maintenance costs of urban (or highly traveled) roads, rural and residential roads. They will also look at whether there are any special road costs experienced by Rockville as the center of County government.

If the recommendations cannot be implemented beginning in FY97 the Task Force recommends that they be implemented in FY98 and based on actual, audited FY96 data. FY96 data (using either the current or the proposed formulas) will result in significantly higher payments due to the snow storm costs. The Task Force agreed that if the recommendation is not implemented until FY98, FY96 data will be used for that year also, except that a four year average will be used for the storm damage factor in the formula. (See Table 7 for a summary of historic maintenance cost data)

POLICE

Calculation of a police services reimbursement formula is complicated by the fact that the County is required, by law, to provide the same level of service to municipal residents and non-municipal residents except in the case of Takoma Park. Under a 1949 agreement the City of Takoma Park has responsibility for all calls for police assistance and dispatches its own officers. The City has a mutual aid agreement with the County. The police reimbursement issue is further complicated by the fact that each of the other jurisdictions which offer police services (Rockville, Gaithersburg and the Village of Chevy Chase) has a different arrangement with the County for responding to calls.

The City of Rockville has its own central dispatch operation which handles telephone and walk-in complaints. They also monitor the County system and dispatch their officers to complaints/incidents in Rockville. The County can dispatch Rockville officers as a first response but generally does not. All addresses in Chevy Chase Village are coded in the County's dispatch system. When a call for service from a Village address is received a code appears on the dispatcher's screen and a Village police officer is then dispatched to the call. County police officers are not dispatched to emergency calls in the Village unless there are no Village units available. Non-emergency calls are held until a Village unit is available. The City of Gaithersburg has concurrent jurisdiction

TABLE 5

Proposed Transportation Payment for FY97 using FY95 Actual Data
Compared to the FY96 Payment (Most Recent Payment which used FY95 data)

Municipality	# of miles*	Miles Reimbursement \$13,024	# of traffic signals	Traffic signal Reimbursement \$2,000	# of bridges	Bridge Reimbursement \$3,098	# Ped. Bridge Bridges	Ped. Bridge Reimbursement \$713	TOTAL	Multiplied by HUR Total 38.26% Reimbursement Total	Current Year Reimbursement For Road Maint. FY96	Increase \$
Barnesville	0.00	0		0		0		0	0	0	0	0
Brookeville	0.46	5,991		0		0		0	5,991	3,699	3,384	315
Chevy Chase, Sec. III	2.23	29,043		0		0		0	29,043	17,931	16,407	1,524
Chevy Chase, Sec. V	1.60	20,838		0		0		0	20,838	12,866	11,772	1,094
Chevy Chase View	3.40	44,280		0		0		0	44,280	27,339	25,015	2,324
Chevy Chase Village	8.27	107,706		0		0		0	107,706	66,499	60,845	5,654
Town of Chevy Chase	9.92	129,195		0		0		0	129,195	79,766	72,984	6,782
Drummond	0.38	4,949		0		0		0	4,949	3,056	2,796	260
Friendship Heights	0.83	10,810		0		0		0	10,810	6,674	6,107	567
Gaithersburg	70.12	913,218		0	4	12,392		0	925,610	571,483	515,892	55,591
Garrett Park	3.92	51,053		0		0		0	51,053	31,521	28,841	2,680
Glen Echo	1.71	22,270		0		0		0	22,270	13,750	12,581	1,169
Kensington	8.17	108,403		0		0		0	108,403	65,895	60,109	5,786
Laytonsville	1.07	13,935		0		0		0	13,935	8,604	7,872	732
Martin's Addition	2.21	28,782		0		0		0	28,782	17,771	16,260	1,511
North Chevy Chase	1.97	25,657		0		0		0	25,657	15,841	14,494	1,347
Oakmont	0.27	3,516		0		0		0	3,516	2,171	1,986	185
Poolesville	15.28	199,001		0		0		0	199,001	122,886	112,419	10,447
Rockville	133.88	1,743,605	29	58,000	7	21,686	2	1,427	1,824,718	1,126,604	984,992	141,612
Somerset	4.24	55,220		0		0		0	55,220	34,094	31,195	2,899
Takoma Park	18.24	237,551	5	10,000	1	3,098		0	250,649	154,754	134,197	20,557
Washington Grove	2.92	38,029		0		0		0	38,029	23,480	21,483	1,997
TOTAL	291.09	3,791,052	34	68,000	12	37,176	2	1,427	3,897,655	2,406,462	2,141,631	264,831 12.37% Increase

*Source of Data _ Montgomery County Department of Public Works and Transportation, Division of Highway Services and Parking and Traffic Services
State Highway Administration of Maryland FY 94 Recapitulation of Urban and Rural Mileage

Table 6
Transportation
By Municipality

A	B	C	D	E	F	G
Municipality	Miles	Estimated FY97 Payment with current formula	Estimated FY87 Payment with proposed formula			Change C-E
Barnesville	0.00	0	0			0
Brookeville	0.46	3,384	3,699			315
Chevy Chase, Sec. III	2.23	16,407	17,931			1,524
Chevy Chase, Sec. V	1.60	11,772	12,866			1,094
Chevy Chase View	3.40	25,015	27,339			2,324
Chevy Chase Village	8.27	60,845	66,499			5,654
Town of Chevy Chase	9.92	72,984	79,766			6,782
Drummond	0.38	2,796	3,056			260
Friendship Heights	0.83	6,107	6,674			567
Galthersburg	70.12	515,892	571,483			55,591
Garret Park	3.92	28,841	31,521			2,680
Glen Echo	1.71	12,581	13,750			1,169
Kensington	8.17	60,109	65,695			5,586
Laytonsville	1.07	7,872	8,604			732
Martins Addition	2.21	16,260	17,771			1,511
North Chevy Chase	1.97	14,494	15,841			1,347
Oakmont	0.27	1,986	2,171			185
Poolesville	15.28	112,419	122,866			10,447
Rockville	133.88	984,892	1,126,604			141,612
Somerset	4.24	31,195	34,094			2,899
Takoma Park	18.24	134,197	154,754			20,557
Washington Grove	2.92	21,483	23,480			1,997
TOTAL	291.09	2,141,631	2,406,462			264,831

Source of Data

State Highway Administration of Maryland

FY 94 Recapitulation of Urban and Rural Mileage

* Other Items* as calculated include Police Crossing Guards, Senior Transportation, Elderly Shopping, Park Maintenance and a Human Relations Commission

* Estimate made using current budget estimates and adding for the estimated total cost of snow removal and storm damage. Current estimate for HUR funds also used

** Proposed Formula Uses FY95 Actual audited data, the two year lag provides time to budget the amount and time for the municipalities to plan for the payment

Table 7

County Cost Data

A	B	C	D	E	F	G	H	I	J	K	L	M	O
Year	Total Miles	Increase in Miles	Roadway MainL	Per Mile Storm Damage	Per Mile Re- Surfacing	Per Mile Traffic Signs	Total Road Maint	Energy/miles Cost of Street Lights per mile	Traffic Light Maint	Total Road Maint. Including Lights/Marking	Per Bridge	Signals Each	
FY93 Actual	1,997		4,666	1,192	2,199	844	8,901	2,085		10,985	2,472	2,000	
FY94 Actual	2,011	15	5,610	2,499	2,585	870	11,564	2,152		13,716	2,548	2,000	
FY95 Actual	2,100	89	6,494	1,083	2,242	822	10,641	2,280	103	19,024	3,088	2,000	

Notes:

Data for cost of bridges and traffic signals for FY 93 estimated from FY 94
Contract for Street Light Maintenance \$410,860 budget, actual \$207,421

with Montgomery County police and officers are dispatched directly by the County.

Originally, the Task Force recommended a formula based in part on the current formula used to calculate the Takoma Park reimbursement which assumes a ratio of seven police officers for every 6,000 calls. The ratio of total service calls to municipality first responses is factored in and the police State aid paid to municipalities is subtracted. However, members of the Task Force met with County police officials to discuss the County's internal review of police services, beat realignments, restructuring of district boundaries and reallocation of resources. The Task Force found that the County does not use the number of first response calls made by municipal officers as a factor in their beat allocation decisions. The Montgomery County police are required to provide the same level of service to all residents whether or not they reside in a municipality. The County asserts that if the municipalities did not provide police services, the result would be an increase in response time countywide. Their logic is that while the presence of the municipal police allows the County police to respond faster or to more complaints, the absence of municipal police would not significantly change the beat allocation now in effect.

The Task Force agreed that the basis for the reimbursement program should be the amount the County would spend to provide a duplicated service rather than the amount spent by a municipality to provide a service. None of the municipalities provide all or primary police services within their boundaries. The County reasons that if the municipalities no longer provided police services to their residents, the County would expend the same dollar amount now expended countywide and provide a somewhat lower level of service countywide. That is, the County police would not necessarily provide the same level of service that either municipal or other County residents receive today. Using this reasoning the municipal police services is a supplemental rather than a duplicated service. Therefore, we recommend no duplication reimbursement be made at this time. However, it is clear that there is a threshold point, below which the level of service would not be acceptable to residents. It can be assumed that at that point the County police might need to provide additional resources (officers, vehicles, etc.) or change their beat allocation to include first responses by municipal police. The Task Force will continue to monitor this issue and will propose changes if necessary.

CODE ENFORCEMENT

The recommended code enforcement reimbursement formula is based on the net County property tax supported code enforcement expenditures per dwelling or per parcel. Table 5 includes the anticipated reimbursement to each jurisdiction. Due to a recently adopted change in County policy placing most code enforcement activities in an enterprise system, no reimbursement is anticipated after the FY98.

PARK MAINTENANCE

The park maintenance formula was originally based on a cost accounting system (labor retrieval system) used by the Maryland-National Capitol Park and Planning Commission (M-NCPPC). In FY88 the M-NCPPC stopped using the system. The County has subsequently used the 1988 figure plus an inflator (CPI-U for the Washington area) each year to calculate the cost of maintaining various types of urban parks. Additional data will be required to develop a more accurate cost reimbursement formula. There are also questions related to which parks operated by municipalities are eligible for reimbursement. Several problems with the current system have been identified.

1. The inflated figures may not be a true reflection of the cost of maintaining the parks today.
2. The formula accounts only for expenditures and not for offsetting revenues.
3. The criteria for determining which municipal park maintenance expenditures are reimbursable appears to be unclear and somewhat inconsistent.

The Task Force recommends that until another formula can be developed the Park Maintenance reimbursement formula should remain as it is. During the next several months the Task Force will look into this issue and recommend a new formula for park maintenance reimbursement.

OTHER

All other services will continue to be based on the net County property tax supported expenditures. Municipalities will not be required to submit their expenditures, but will be required to provide annual certification of eligible service and workload data necessary for reimbursement for selected services such as elderly shopping service, senior transportation and crossing guards.

The Task Force also recommends that any negotiations related to the Takoma Park consolidation be kept separate from other Tax Duplication Task Force issues.